

3 MAR 1976

DD/A Registry
78-0803/1

MEMORANDUM FOR: Director of Central Intelligence

FROM : F. W. M. Jarney
Director of Personnel

SUBJECT : Promotion System, Titles and Fitness Reports

REFERENCE : Memo for D/Pers fr DCI dtd 27 Feb 78,
same subject

Attached herewith are responses to your request for information and/or certain actions regarding the single-grade promotion policy, titles of positions, career employee status and fitness reports.

STATINTL [REDACTED]

F. W. M. Jarney

Atts.

Distribution:

Orig - DCI, w/atts.
1 - DDCI, w/atts.
1 - ER, w/atts.
2 - DDA, w/atts.
2 - D/Pers, w/atts.
1 - OP/P&C, w/atts.

STATINTL OP/P&C/ [REDACTED] cmc (3 Mar 78)

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RESPONSES TO DCI REQUESTS FOR INFORMATION AND/OR
ACTION ON CERTAIN PERSONNEL MATTERS

PARAGRAPH 1: Single-grade promotion policy concerns.

RESPONSE:

In the Spring of 1977, the Office of Personnel conducted a study of the two-grade promotion approach vis a vis the present Agency policy of single-grade advancement. On the basis of this study, papers recommending adoption of the two-grade promotion policy for professional employees below grade GS-11 were proposed and considered at the Executive Advisory Committee meetings in May and June 1977.

The EAG requested further study in terms of a transition plan should a decision be made to adopt the two-grade policy. A transition plan was prepared and circulated by the A/DDCI to the Directorate employee advisory groups for comment. The responses from these employee groups to the A/DDCI were about equally split for and against a change in policy.

Further study was requested of the Office of Personnel which prepared a new proposal in October 1977 to the A/DDCI which recommended a procedure which while retaining the single-grade policy would accelerate promotions to the even grades (GS-06, 08, and 10) and provide more timely recognition and tangible monetary benefits to employees by reducing the extended (and lengthening) months-in-grade patterns between these grade levels. The earlier advantages to employees under the single-grade promotion policy are being deteriorated by the gradual trend of lengthening time periods for progression between the grade levels. As of this time a decision has not been made concerning these recommendations.

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PARAGRAPH 2: The question of changing the occupational titles used for various groups of people within the Agency.

RESPONSE:

a. There are two facets or categories as regards the use of titles or terminology to describe the occupations of positions and personnel within the Agency. The first category includes the formal or officially designated titles and the second includes the general functionally-related and informal terminology used to describe occupational groups (or individuals within the groupings).

b. The formal or official position/people titles are based upon the governmental occupational titling established for standardized usage by all Federal agencies to facilitate the use of common criteria for properly classifying positions by occupational "series" or family titles and grades and for weighing employee qualifications to perform the duties of such positions. Generally speaking, official occupational titles are based on the fundamental nature and substance of the work being performed without specificity to the organization where the work is being performed. Nevertheless, the Agency utilizes a number of position titles which contain the word "intelligence"; such titles are applied primarily in the broad fields of research, analysis and operations. In general, however, the Agency adheres to Government-wide titling practices insofar as practicable to facilitate the classification of Agency positions through comparisons with published "Federal Position Standards" and similar positions established elsewhere in government.

c. As regards the use of informal terminology or titling of occupational groups such as "Communicators" for Office of Communications personnel; "Analysts" to describe NFAC people; "Support personnel" for Directorate of Administration people; and "Para Professionals" for non-Operations officer personnel in the DDO, there are no real constraints to using new or different designations to describe these categories of personnel--either to better describe the group or eliminate "titles" that are objectionable or generate negative connotations to a substantial number of individuals in the occupational group. Further study will be undertaken of the usage of informal titles within the Agency to determine the possible need for more appropriate designations.

PARAGRAPH 3: How does an employee become designated as a career employee? What type of a form is he given? Who fills it out and presents it to him, etc.?

RESPONSE:

STATINTL

Career employees are those staff personnel who are appointed for long term service in the Agency; it does not include persons who are given temporary (one year) or reserve (one to five years) appointments nor individuals under contract. The categories of personnel employed in the Agency are described in [REDACTED]. While the career employee is subject to the trial period procedures, there is no differentiation in designation during the probation. The current regulation, dated 13 February 1977, is under revision to include the new provision for the three year trial period which became effective 10 May 1977. The instructions and guidances for the three year period are published in [REDACTED] which has the effect of regulation until the revision of [REDACTED] is published.

STATINTL

From 1954 to 1960 there was a program in the Agency for the review of the records of all employees who were at least 25 years of age and had served three years for conversion to membership in a "Career Staff". The intent of the program was to identify a corps of employees who agreed to serve anywhere at any time and whose performance was of such caliber as to merit special recognition, hence the "Career Staff" designation. A certificate was issued to the individuals selected and was usually presented by the Head of the employee's office. By the time the program was terminated in 1960, the designation had become pro forma and, within the time and age factors, with few exceptions for reasons of security or financial problems, all employees of the Agency were members of the "Career Staff".

Beginning in 1960 new employees were appointed in a "Career Conditional" status and the Office of Personnel made a special evaluation of employee records at the end of three years of service. Office of Security and Office of Medical Services records were reviewed, and component recommendations were obtained and if the results were satisfactory, a personnel action was cut converting the employee to "Career Status". This program was terminated in 1974 for much the same reason the "Career Staff" program was ended; the process was no more than a paper exercise. Those employees who had problems with either performance or personal behavior were identified in the normal course of events and appropriate action taken, and this review served no effective purpose.

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The current policy for the Career Service or Career Service Sub-group evaluation of employees of all grades and periods of service at least annually, serves the purpose of determining levels of performance and identifying employees who have problems in any area of personnel management concern. We do not believe the personnel management system as it is designed to function requires additional programs for identifying special status. All employees, with the few exceptions of temporary and reserve appointees, are Agency career employees.

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PARAGRAPH 4

Item 1: Is there a standard procedure within the Agency for whether or not a supervisor has access to fitness reports written in an individual's record?

RESPONSE:

Supervisors, by reason of their position and responsibility, have access to both the Official Personnel File and the "soft files" of the component employees. Both files contain fitness reports, with the soft file normally containing only the more recent ones.

Item 2: Should supervisors be entitled to see previous fitness reports which they have written and previous fitness reports which others have written?

RESPONSE:

There is no Agency policy that precludes supervisors from using previous fitness reports as guides or background in preparing a current fitness report. In fact there are times when it is appropriate to address items in previous reports, particularly where there have been areas of questionable performance and improvement should be recognized. On the other hand, many supervisors consciously do not refer to previous fitness reports to avoid a bias, one way or the other, created by old reports. Each situation dictates approaches to preparation of the fitness reports.

Item 3: Is there an inclination to be sloppy in fitness report writing by virtue of simply using past ones as models?

RESPONSE:

It is of course possible that some fitness reports are sloppily written and/or are a rehash of the employee's previous fitness reports, however, the reviewing officers, career management staffs, and evaluation panels and boards have a responsibility to insure properly prepared fitness reports and should be held accountable for abuses of this nature.

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PARAGRAPH 5

Item 1: Do we have any statistics on whether different Directorates and Divisions have markedly higher percentage of Outstandings, etc.?

RESPONSE:

The "Outstanding" fitness report statistics taken from the APP reports for each Directorate are as follows:

<u>FY</u>	<u>E SERVICE</u>	<u>DDO</u>	<u>DDA</u>	<u>NFAC</u>	<u>DDS&T</u>
1977	38.4%	12.7%	10.6%	6.0%	5.8%
1976	38.5	12.7%	10.1%	4.6%	7.5%

The percentages for "Outstanding" ratings in the DDO and the DDA are comparable, as are the ratings in the DDS&T and NFAC. The E Career Service percentage is high probably due to the generally higher grades of individuals serving in the components in this Service. There is a general trend throughout the Agency to rate higher graded individuals at a higher level than the general population of the Agency.

Item 2: Have we ever thought about requiring the rating officer to indicate how many people he is grading in each category so as to have some check on whether he is excessively generous?

RESPONSE:

The DDO recently instituted a practice of having the component indicating on each fitness report the rater's history, i.e., the number of overall rating in each category since the record keeping was begun in October 1977. This information is used in their Panel evaluation process and the DDO career panels may make recommendations if a pattern of overrating or underrating occurs. We would recommend more experience with this process to provide for adequate evaluation of the system before considering it for other Career Services.

Item 3: How long since we've changed our fitness report form? Is it the same for all Directorates?

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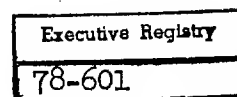
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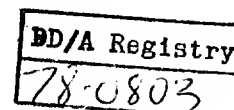
RESPONSE:

The same fitness report form is used throughout the Agency. The last major revision of the form was made in 1969 when the rating system was changed from Weak, Adequate, Proficient, Strong, and Outstanding to the present ratings of Unsatisfactory, Marginal, Proficient, Strong, and Outstanding. There is at the present time a Performance Evaluation Task Force under the auspices of the Office of Personnel and composed of representatives of all of the Directorates studying the Agency's Performance Evaluation System (including revision of the fitness report form). The Task Force report has been delayed by a lack of available qualified officers to consolidate the report. An individual has now been assigned to pull the material together and a report and recommendations for any changes will be forwarded to the EAG for review and approval.

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27 FEB 1978



MEMORANDUM FOR: Director of Personnel

FROM: Director of Central Intelligence

SUBJECT: Promotion System, Titles and Fitness Reports

1. I continue to get complaints about the two-step promotion system. Particularly at NPIC people see others working beside them being promoted two steps at a time. I understand that we did a study on this some time ago; it proved that because our promotions come more frequently, our people in fact make more money going up by single steps. I'd like to put something in a Director's Note and/or have you put something out to be sure people understand that our single-step promotion policy is in the interests of our employees--if that is the case.

2. A suggestion came to me the other day to put more emphasis on intelligence in the titles we give to our people. People like communicators are not distinguished as being in the intelligence world because we simply call them communicators. Should we call them intelligence-communicator, intelligence-personnel officer? This whole subject of titles is related to a memo I sent to DDO about whether they would change the names "para-professional" to "operations support personnel" and "clerical" to "support personnel." They are looking at it for DDO; I'd appreciate if you would look over this whole question of titles for the Agency as a whole.

3. I'd also like to know about how an employee becomes designated as a career employee. What type of a form is he given? Who fills it out and presents it to him, etc.?

4. I'd like to know if there is a standard procedure within the Agency for whether or not a supervisor has access to fitness reports written in an individual's record. In particular, I think there is a point to be made as to whether the supervisor is entitled to see previous fitness reports which he has written and previous fitness reports which others have written. I get the impression there is some inclination to be sloppy in fitness report writing by virtue of simply using past ones as models.

5. Do we have any statistics on whether different Directorates and divisions have markedly higher percentages of Outstanding, etc.? Have we ever thought about requiring the rating officer to indicate how many people he is grading in each category so as to have some check on whether he is excessively generous? How long since we've changed our fitness report form? Is it the same form for all Directorates?

STATINTL



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ROUTING AND RECORD

Form No.

1 Dec 56

160

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(13)

SUBJECT: (Optional)

FROM: F. W. M. Janney Director of Personnel 5E 58 Hqs.		EXTENSION 6825	NO. DDA 78-0803/1
			DATE 3 MAR 1978
TO: (Officer designation, room number, and building)	DATE RECEIVED FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Executive Officer to the DDA 7D 18 Hqs.	3/7	J	DD/A Registry File Personnel-12- Re answer to your first question on the "one or two" step promotion policy. I am on the hook on that one. I will shortly be in contact
2.			
3. Associate Deputy Director for Administration 7D 18 Hqs.	8 MAR 1978	h	
4.			
5. Deputy Director for Administration 7D 18 Hqs.	8 MAR 1978	B	
6.			
7. Executive Registry 7E 12 Hqs.			
8.			
9. Deputy Director for Central Intelligence 7E 12 Hqs.			
10.			
11. Director of Central Intelligence 7E 12 Hqs.			DDA: JFB lake: kmg (8 Mar 78) Distribution: Orig RS - DCI via DDCI X - DDA Subj 1 - DDA Chrono 1 - JFB Chrono
12.			
13.			Att: Memo dtd 3 Mar 78 to DCI fr D/Pers, subj: Promotion System, Titles and Fitness Reports (DDA 78-0803/1)
14.			"To 11 "Re answer to your first question on the 'one or two' step promotion policy, I am on the hook on that one. I will shortly be in contact. /s/Jack Blake"
15.			

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78-0803

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FORM
3-62

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File Personnel 12

DD/A Registry
77-5169

16 SEP 1977

MEMORANDUM FOR: Acting Deputy Director of Central Intelligence

FROM : F. W. M. Janney
Director of Personnel

SUBJECT : Component Comments on Fitness Reports

1. Action Requested: None. This memorandum is in response to your request for comments on the various notations made by certain Career Service Sub-groups on Fitness Reports relative to individual component standards.

2. Background: While statements relative to component Fitness Report rating standards have been added to Fitness Reports over the years, the current use by the DDI offices (except ORPA which is experimenting with self evaluation) and OP, and probably OEE0 as well, is in response to DCI concern. In his memorandum of 5 January 1976 commenting on the FY 1976 APP, Mr. Colby asked that the Career Services direct attention to the Fitness Report rating creep and to "issue instructions to reverse the trend". Most Career Services included a statement in their individual Personnel Handbooks that the rating guidances on the Fitness Reports should be followed, and some noted that Proficient is considered the norm, but took no further special action.

3. Staff Position: The inclusion of the comments on the Fitness Reports identifying specific component guidance is in recognition of the particulars cited above as well as in response to employee concern that stringent component guidances are not always applied elsewhere in the Agency, resulting in possible unfavorable comparisons. We have to agree this is probably true and believe, in the interest of fairness of evaluation in later review, when specific guidances are issued and followed, it is only just that some note be made to this effect.

As you are aware, the entire Performance Evaluation system is being reviewed by a Task Force. The results of the Career Service reviews are now being compiled, and I recommend any action to change

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the current individual practices be held until the study for the Agency is completed. It is probable that there will be recommendations for some changes or modifications to the Fitness Report form and instructions which will bring about an evaluation scale (hopefully) more generally understood and applied. As the situation now exists, a review of the Career Service and the individual Sub-groups rating profiles clearly indicates that there are obvious differing standards for what constitutes "Proficient" and "Strong" performance.

4. Recommendation: It is recommended no action be taken to limit the Career Sub-group rating scale comments on Fitness Reports until the results of the Performance Evaluation Task Force studies are available and a decision is made relative to any changes to the present FR form or to the evaluation system or procedures.

(S) F. W. M. Janney

F. W. M. Janney

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STATINTL

OP/P&C/RS/ [REDACTED] :cmc (13 Sep 77)

PERG 78-1606

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DD/A Registry
16 MAY 1978 78-1537/2

F. W. M. Janney
Director of Personnel
5E 58 Hqs.

6825

DD/A Registry
Pers-12

Executive Officer to the
DDA
7D 18 Hqs.

Associate Deputy Director
for Administration
7D 18 Hqs.

Deputy Director for
Administration
7D 18 Hqs.

17 MAY 1978

Executive Registry
7E 12 Hqs.

Deputy Director of
Central Intelligence
7E 12 Hqs.

9. Per your request in connection with the Performance Evaluation Task Force Report, attached are:

- A. Agency Fitness Report, Form 45
- B. Directions for completing Form 45, Form 45i
- C. Department of State Officer Evaluation Report for FSOs, FSRs and FSS, including FSS-7, clerical level. FSS 10-8 are evaluated on the old State Department form for FSS personnel (no copy available in CIA). State Department GS employees are rated on yet another form which is included here.
- D. Federal Home Loan Bank Board forms and Instruction Booklet

(Signed) F. W. M. Janney

F. W. M. Janney

Distribution:

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OP/P&C/RS/ [REDACTED] cmc (15 May 78)

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

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DD/A Registry

File *Personnel*

FROM: F. W. M. Janney
Director of Personnel
5E 58 Hqs.

EXTENSION

6825

NO.

DATE

3 MAY 1978

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Officer to the DDA
7D 18 Hqs.

5/3

[Handwritten initials]

2.

3. Associate Deputy Director for Administration
7D 18 Hqs.

3 MAY 1978

[Handwritten initials]

4.

5. Deputy Director for Administration
7D 18 Hqs.

6 MAY 1978

[Handwritten initials]

6.

7. Executive Registry
7E 12 Hqs.

8.

9. Deputy Director of Central Intelligence
7E 12 Hqs.

"To 9

"Frank,

"A fair number of employees participated in developing this report. Inasmuch as the final outcome will affect all employees, there may be merit in soliciting employee reaction to the recommendations. One way to do it would be to give a copy of the report to the five MAG groups & ask for their reaction. OP could consolidate the replies, & then that consolidation along with the report could go to EAG for final discussion.

"Let me know your pleasure. /s/Jack Blake"

DDA:JFBlake:kmg (6 May 78)

Distribution:

Orig RS - DDCI w/cy of Att + notebook

1 - ER w/cy of Att

1 - DDA Subj w/cy of Att + notebook

1 - DDA Chrono

1 - JFB Chrono

Att: Memo dtd 3 May 78 to DDCI via DDA fr D/Pers, AL

subj: Report of the Performance Evaluation Task Force (DDA-78-00142R000500050006-9)

Notebook: "Performance Evaluation Task Force Report - April 1978"

109 Frank
A fair number of employees participated in developing this report. Inasmuch as the final outcome will affect all employees, there may be merit in soliciting employee reaction to the recommendations. One way to do it would be to give a copy of the report to the five MAG groups & ask for their reaction. OP could consolidate the replies, & then that consolidation along with the report could go to EAG for final discussion.
Let me know your pleasure.

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DD/A Registry
78-1537/1

3 MAY 1970

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA : Deputy Director for Administration

FROM : F. W. M. Janney
Director of Personnel

SUBJECT : Report of the Performance Evaluation
Task Force

1. Attached herewith is the final Report of the Performance Evaluation Task Force.

2. The recommendations contained in this report are based upon the findings developed by the Task Force representatives in the course of their research. The recommendations as presented, therefore, do not necessarily represent the conclusions nor the concurrence of Directorate management or the Director of Personnel.

3. Several of the Task Force's recommendations include proposals for modifications and/or departures from current Agency policies and practices relative to the Performance Evaluation system. I propose, therefore, that a meeting be scheduled in the near future for the Executive Advisory Group to review and discuss the Task Force report.

F. W. M. Janney

Att

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from classified attachment.

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OP/P&C/[REDACTED] : cmc
Retyped: OD/Pers:jmk (2 May 78)

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ROUTING AND RECORD SHEET

18-1531

DD/A Registry

File Personnel-12

APR 1978

SUBJECT: (Optional)		EXTENSION		NO.	DATE
FROM: Director of Personnel 5 E 58 HQ					
TO: (Officer designation, room number, and building)		DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
		RECEIVED	FORWARDED		
1. Executive Officer, DD/A					<p>Attached is a "draft" of the long awaited review and recommendations on how fitness reports/assessments in the CIA might be improved based on research in the private and public sectors. The psychologists are still not in with an analysis of the 187 interviews, and the present draft has not yet been coordinated with the Task Force responsible for this study.</p> <p>As you will note, the Task Force collected information on eight Government systems, three major corporations, and reviewed 50 corporations in all -- above and beyond the in-house interviews mentioned above.</p> <p>Tab C (Internal Task Force Summaries) is being completed.</p> <p>Tab D (External Systems) contains samples only in this interim report -- the other summaries of the external systems cited are being completed.</p> <p>Tab E (Bibliography) is being completed.</p> <p>I plan to have the final report ready the week of 24 April. Meanwhile, there are some interesting conclusions to chew on.</p> <p style="text-align: right;">F. W. M. Janney</p>
2. Associate DD/A					
3. Deputy Director for Administration					
4.					
5. Deputy Director of Central Intelligence					
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- 1 - D/Pers Chrono
- 1 - FWMJ

D/Pers/FWMJanney:jmk (13 Apr 78)

PERFORMANCE EVALUATION TASK FORCE REPORT

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INTRODUCTION

1. In response to the Executive Advisory Group (EAG) meeting of 17 February 1977 a Task Force, under the direction and supervision of the Chief, Review Staff, Office of Personnel, was formed to conduct an indepth review of the Agency's current performance evaluation system. The Task Force met for the first time on 26 May 1977 and was composed of one representative from each Directorate, one from the Executive Career Service and a representative from OMS/Psychological Services Staff to provide guidance and assistance in fact-finding and analysis.

2. An external consultant was hired 16 May 1977 to research other government personnel evaluation systems and a small segment of the private sector performance appraisal systems. The Deputy Director of Personnel for Plans and Control, along with a representative of Psychological Services Staff and OP/Review Staff, went to The Center for Creative Leadership, Greensboro, North Carolina for a workshop and to review research data they had collected on over 100 U.S. corporations.

3. Comprehensive information was collected on eight government systems, three major corporations and reviewed information on approximately fifty corporations in all. In addition, the Task Force conducted 187 interviews divided among ratees, raters, and panel members in all four Directorates and the E Career Service.

4. The Task Force submits this report recognizing that the subject of performance appraisal is as dynamic as the environment in which it exists, and should be reviewed and refined on a continuing basis.

5. The recommendations concerning change of the actual format or structure of the existing system will be, in our opinion, moderate. On the other hand the Task Force feels that the more significant recommendations, vis a vis impact on the efficiency of the system, will be in terms of commitment to implementation, involving considerable training effort and monitoring.

6. The primary goal of any organization is effective productivity which is dependent on a combination of ability and commitment. The commitment of an employee to the organization in part depends on individual awareness of the needs of the organization, i.e., the ability to identify with the goals and objectives of the organization not only in terms of being expected to help achieve those goals and objectives but being able to personally identify with having participated in setting and establishing goals and objectives at what ever level they are. This report will make several recommendations that should increase the clarity of the employee's awareness of the organization's needs. A more effective

performance appraisal system facilitating better articulation and understanding of expectations and job requirements will provide a more objective basis to evaluate performance. A clearer awareness by the employee of the organization's needs, goals, and objectives will hopefully lead to improved organizational effectiveness.

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B



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RECOMMENDATIONS

I. Summary

The Performance Evaluation Task Force has concluded that several changes in the Agency's performance evaluation system are warranted. This report provides an overview of the recommendations and the rationale behind them. The recommendations address the structure and format of the system as well as the process and implementation. Considerable emphasis is placed on training recommendations. Of the other systems reviewed, both government and private industry, the most common point is extensive training. Training is not only for information and familiarization but also to help reduce resistance to change. Most supervisors interviewed felt confronted with a conflict of feeling, recognizing the responsibility to provide management with honest, candid, appraisal of employee performance but on the other hand fearing the possible impact (negative) of honesty and candor on working relationships with subordinates as well as possible contextual misinterpretation by promotion panels. Apparently, performance appraisal reports are perceived by most supervisors, in terms of being a report to management as well as a feedback mechanism for employee improvement and development as being diametrically opposed. There needs to be a stressing of the fact that these are two discrete valid uses of the same instrument and need not be at odds with one another. The Task Force felt that the LOI should be stressed more as an optional management tool, rather than obligatory for all jobs. The key to use being whether or not a job is such that short-range achievable objectives can be set that relate to the present incumbent and the job, not just a rewording of position descriptions.

II. Format

A. Structure of Form

(1) Change the title of "Fitness Report" to Performance Appraisal Report. The Task Force recommends performance appraisal vice performance evaluation, feeling that the use of "evaluation" would exacerbate the confusion between performance evaluation and competitive evaluation.

(2) Change the existing 5 point adjectival scale to a 7 point numeric scale. The scale should have defined reference points but representationally numeric vice assigning adjectival labels. The inser-

tion of the two additional gradations should be between what is now Proficient to Strong and Strong to Outstanding, effectively creating four levels between what is now Marginal and Outstanding.

(3) Establish as a specific duty to be rated for all supervisors "effectiveness and candor as a rating officer". The Task Force felt that this would emphasize the importance of this aspect of a supervisors responsibilities, i.e., knowing that this is a duty that rating officers are to be rated on.

(4) Change the certification of the employee having seen, to certify "I have discussed this report with my supervisor". This will more accurately ascertain that the employee and supervisor have discussed the performance appraisal and eliminate the possibility of the report being routed to the employee to review and sign without the supervisor present to discuss.

(5) Provide for certification by the employee of being aware, at the beginning of and during the rating period, of the factors to be rated. The Task Force felt this would ensure that the employee and supervisor have discussed the requirements and expectations of the job. This may include a review of; position description; list of duties; and, when applicable, LOI.

(6) Establish a section in the form for employee comments vice requiring the employee to attach an addendum. The Task Force recognized that lengthy statements would still necessitate an attachment but felt that having space provided might encourage employees to make short clarifications, additions, or redressings.

(7) Relocate the Overall Performance section to follow the Narrative Comments. It is hoped that this would foster addressing Overall Performance as an issue unto-itself and reduce the current tendency to relate it to an arithmetical averaging of the individual task ratings.

(8) Establish a space for the reviewer to concur with the Overall Performance rating or in the absence of concurrence to address areas of disagreement with the raters overall rating and to assign an independent rating.

("Issue" unresolved is which rating would be coded.)

(9) Redesign the Form 45 to allow print size no smaller than that currently used in Section A. The Task Force discussed possibilities of 3 to 4 section fold outs with the emphasis on keeping the type large enough to encourage reading. This is envisioned as including preparatory explanations thus eliminating the necessity for the 45i.

B. Optional Addendums

It is recommended that the Career Services or Subgroups be allowed to develop standard, approved by the Office of Personnel, one page addendums to the Performance Appraisal Report to address unique requirements of the Service.

III. Process

A. Training

(1) The Task Force recommends the establishing of a Performance Appraisal Workshop for all supervisors emphasizing:

(a) purpose of performance appraisal reporting, i.e., that the Performance Appraisal Report is a management report but has

many additional uses;

(b) the use of the Performance Appraisal Report as a dynamic management tool

- feedback to employee . . . learning to feedback objective observations of employee performance and behavior vice opinion or personality related feelings.

- critical incident technique . . . a process or methodology for observing and documenting performance and behavior to establish an objective data base for performance appraisal.

- coaching information and supervisory counseling . . . honest and candid performance appraisal can be invaluable in coaching and counseling, when it is objective, specific, and documented.

- development information . . . provides the organization with useful information for personnel management and gives the employee a realistic basis for planning personal development and career direction.

- potential information

- promotion information . . . more honest and candid performance appraisal and should reduce the additional efforts promotion panels have to exert to obtain sufficient information.

(c) interactive discussion and problem solving by supervisors, addressing the common concern of the discomfort accompanying feedback and counseling;

(d) collaborative LOI development and preparation . . . for those offices and jobs where a LOI is appropriate and used, collaborative development and preparation clarifies expectations and sets an

objective basis for performance appraisal;

(e) collaborative work planning . . . in those situations where a job does not lend itself to a LOI, e.g., completely dependent on changing demands (executive staffs) or where a position description is totally sufficient (a very stable and routine job). The same collaborative process of clarifying expectations (as in LOI preparation) is needed to ensure employee participation.

2. The Task Force also recommends that:

(a) A program be established to provide guidance and familiarization training of representatives from each office for subsequent intra-office training of integral work units. The work units would include both supervisors and employees in the same training unit to avoid what is sometimes perceived by employees as management developing a new system for manipulation.

(b) All supervisors be required to attend Performance Appraisal Workshop within one year of being assigned to supervisory position.

(c) A handbook (unclassified) be developed explaining the policy, philosophy, and providing guidance covered in the recommendations for the Performance Appraisal Workshop, to be used for review and available to both supervisor and employee.

(d) A video taped summary of the Performance Appraisal Workshop be available to supervisors for review. This could also be available to new supervisors awaiting training scheduling.

B. Monitoring

It is recommended that each office be required to establish its own monitoring process ensuring the validity and credibility of the Performance Appraisal Reports. The Task Force felt that the mechanisms now exist; in CMD's, Boards (Career Service or Subgroup), Panels, managers (reviewers), et al . . . what's missing is not the mechanisms but the discipline to ensure quality.

IV. Experimental Model

A. The distinguishing features of the Federal Home Loan Bank Board personnel evaluation system are those tied to the ensured implementation, i.e., a specific form for collaborative work plan development and objective setting involving both supervisor and employee and another form documenting the quarterly progress reviews. These two features have also been added to the new personnel evaluation system for civil service employees at State.

B. The Agency system provides for a work plan (i.e., LOI or job descriptions) and recommends frequent counseling and progress review, but has no enforcement mechanism.

C. It is recommended that one office be selected to try the quarterly progress review documentation system on an experimental basis for three years and that the experiment be analyzed for applicability and/or desirability Agency-wide.

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C [REDACTED]

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D [REDACTED]

I. GOVERNMENT PERFORMANCE EVALUATION SYSTEMS

PRECIS - FEDERAL HOME LOAN BANK BOARD,
PERFORMANCE PLANNING AND APPRAISAL SYSTEM

The Federal Home Loan Bank Board (FHLBB), Performance Planning and Appraisal System is a collaborative system keyed to an operational implementation of Management by Objectives (MBO). The collaboration takes place in identifying Key Operating Indicators (KOI) and establishing a work plan. The purpose of the work plan is to help employees plan and document their work responsibilities, monitor and appraise their own efforts, hold productive and objective progress reviews with their supervisors, perform more effectively, identify areas for improvement, and expand their career and professional growth.

FHLBB calls for quarterly review of the work plan between employee and supervisor to review progress and if appropriate to modify the plan.

The annual performance appraisal is keyed to the mutually developed objectives. The optional self-evaluation feature of the program allows employees the opportunity to appraise their own efforts and have their views officially documented along with their supervisor's views. Employees take on a greater responsibility for planning and evaluating their contribution to the mission of the agency. Furthermore, the program provides employees and supervisors with a format that not only documents achievements but makes visible the entire planning and evaluation process, thus reducing the potential for misunderstanding in the rating of employees.

Supervisors and employees were provided forms, guidelines, and training which is not only for information and familiarization but also to help overcome resistance to change. According to FHLBB, the most important decision was to train the supervisor and employee together in their regular work unit. They credit this with doing a great deal to remove suspicion that the system would be a means for managers to manipulate employees.

This system was rated by the General Accounting Office (GAO) in its report on Federal Employee Performance Rating Systems* as the best in the Federal Government. FHLBB also has a reputation in academia as having the only MBO program in the Federal Government fully implemented, i.e., including broad non-supervisory employee input to development of objectives. This is very similar to our LOI in design and intent. The feature that distinguishes the FHLBB system is that of ensured implementation by requiring formal documentation of the employee's awareness of duties and work expectations as well as collaborative development of objectives for the employee in the coming period. Further documented is the quarterly process of progress review. We provide guidance for

*A Report on "Federal Employee Performance Rating Systems", FPCD 77-80, 3 March 1978

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an almost identical process in [REDACTED] paragraph 3, states "A properly administered evaluation program requires continuing communication and understanding between supervisor and employee to evaluate progress and performance in the achievement of LOI objectives and job responsibilities. During the course of the reporting period the supervisor should have frequent work-related conversations with the employee to offer guidance and encouragement, to discuss the assignment and status of performance and to provide follow-up to previous discussions". (Emphasis added).

II. PRIVATE SECTOR PERFORMANCE APPRAISAL SYSTEMS

PRECIS - RCA TALENT INVENTORY APPRAISAL SYSTEM

1. The Talent Inventory Appraisal System (TIAS) is composed of "behaviorally anchored" rating scales, i.e., forty or more descriptions of behaviors identified by managers as specific incidents of successful/unsuccessful management behavior or practices. In addition to the forty-item inventory, used by all elements of RCA, individual divisions may add up to ten items which are felt to be unique to the activities of that division. Mathematical analysis established four underlying dimensions: (1) analytic abilities; (2) task oriented interpersonal competence; (3) acceptance of responsibility and; (4) respect for competence of subordinates.

2. The novelty of RCA's TIAS is that it combines in one system several elements usually found singly or in combinations in other performance appraisal systems.

3. Evaluating TIAS for: (a) providing a reliable, valid basis for promotion, assignment or adverse actions and; (b) providing feedback to the employee, is difficult at best. There is no comparative base since the previous appraisal system was discontinued coincident with the implementation of TIAS. Worthy of note are the results in rating overall effectiveness to date. Designed as an annual appraisal system, it was first run in 1973 with 63% of 3000 employees rated falling in the above average category. The second running was 26 months later in 1975 with the above average group rising to 72%; an increase of 9% from first running to second. The third running was yet to be applied more than 20 months later at the time of contact due to ironing out more "bugs". RCA feels that whatever problems were inherent in the program may have been exacerbated by not having tried TIAS on a small experimental scale before completely throwing out the old system. This also increased the difficulty of assessing the validity of the new system.

4. TIAS does have merit, combining into one system what we accomplish with the Form 45, LOI, CEL and, some features we don't have at all, e.g., (a) multiple raters; (b) peer and subordinate input; (c) mathematical correction for rater bias. RCA feels TIAS has achieved greater supervisor and employee acceptance than the previous system. This could be due to an increased level of feedback inherent in TIAS, which provides the employee with a documented record of ratings, as well as an extensive training program in the use of the system.

5. It should be noted that TIAS is a system designed for managerial employees and not the rank and file. This is true of many of the performance appraisal systems in industry, and is not insignificant in trying to assess applicability to our organization.